EXHIBIT 16

APPENDIX C

FINANCIAL PROJECTIONS

Accounts Receivable: Accounts receivable decreases in 2008 as the working capital related to the Non-Continuing Businesses is monetized. After 2008, the increase in accounts receivable relates to the expected sales growth as customer terms are projected to remain relatively constant throughout the period.

Inventory: Inventory decreases from 2007 to 2008, due primarily to the Debtors' monetization of working capital related to Non-Continuing Businesses. From 2009 to 2011, inventory balances increase as a result of growth, as inventory turns are projected to remain relatively constant.

Other Current Assets: Other current assets are primarily comprised of prepaid expenses, reimbursements due from GM under the Debtors' agreement with GM and other assets which are short-term in nature.

Property, Net: Changes in property, net are primarily driven by capital spending, which is derived based upon anticipated requirements emanating from the Debtors' revenue plan, product migration, facilities maintenance and restructuring activities. Capital spending as a percentage of sales peaks in 2008 at 4.7% and then declines each year over the Projection Period to 3.3% by 2011.

Other Assets: Other assets are primarily comprised of identifiable intangible assets (e.g., patents, trade names, and customer relationships) and the book value of investments in non-consolidated joint ventures. Other assets increase significantly at the end of 2007 due to assumptions regarding the revaluation of intangible assets at the Effective Date in conjunction with the implementation of Fresh Start Accounting.

Pension Prepaid Asset[3]: Pension prepaid asset represents the excess of plan assets over plan obligations for U.S. defined benefit pension plans. The pension prepaid asset increases over the Projection Period due to freezing of the U.S. hourly and salaried defined benefit plans (described in further detail under "Pension"), which results in a reduction in projected benefit obligations and the reduction of pension contributions to reach the full funding limit, as well as projected asset returns that exceed the liability discount rate.

Goodwill: Goodwill was determined by subtracting the estimated fair market value of the reorganized Debtors' identifiable tangible and intangible assets at the Effective Date from the sum of the projected reorganized equity value plus total liabilities upon emergence.

Accounts Payable: The Projections reflect the return of the Debtors' accounts payable to pre-petition terms in 2008, the effect of which is offset by the reduction of payables related to the monetization of working capital at certain Non-Continuing Businesses. In 2010 and 2011, the increase in accounts payable balances relates to growth, as vendor payment terms are projected to remain consistent with year-end 2008.

Accrued Liabilities: Accrued liabilities are primarily comprised of employee benefit obligations (excluding pension), warranty, income and other tax, payroll, at risk compensation, restructuring, and attrition program obligations due within the following twelve months.

Debt Structure: Upon emergence, the Debtors' long-term debt structure is expected to include:

a) A $1.6 billion revolving credit facility at an interest rate of LIBOR +225 (London Inter-bank Offered Rate plus 225 basis points) to serve as supplemental liquidity for general operating purposes;

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[3] Since pension status is measured on a plan-by-plan basis, the Debtors' consolidated balance sheet projections include both pension prepaid assets and pension liabilities in the same periods, due to the underfunded status of certain international and U.S. non-qualified plans.

b) $4.5 billion of exit financing facilities comprised of a $3.7 billion funded term loan at an interest rate of LIBOR +375 and a $0.75 billion second lien note at a 9.5% interest rate which will be raised in the capital markets to satisfy claims and other financing needs as contemplated in the Plan;

c) $0.75 billion second lien note to GM at a 9.5% interest rate to satisfy a portion of the GM Claim; and,

d) Factoring, securitization, and other foreign debt, capital leases and industrial development bonds.

Pension*[3]*: Pension liabilities represent the excess of plan obligations over plan assets for U.S. and foreign defined benefit pension plans. As part of the Debtors' Transformation Plan, the U.S. hourly and salaried defined benefit plans are assumed to be frozen as of the Effective Date. The hourly plan is replaced with a 5.4% cash balance plan for the UAW and a 7% Defined Contribution ("DC") plan for the IUE & USW. The salaried defined benefit plan is being replaced with a DC plan providing for employer non-elective and matching contributions. The SERP is also assumed to be frozen as of the Effective Date and replaced for active employees with a non-qualified DC SERP.

The principal U.S. plan actuarial estimates are: asset return rates of 10.0% in 2007 and 8.75% thereafter and a discount rate of 5.9%.

Underfunded obligations for foreign pension plans are included for the entire Projection Period assuming no design changes to existing benefits.

OPEB: The termination of the U.S. hourly post-retirement healthcare plan and concurrent triggering of the GM Benefit Guarantees are assumed to occur on the Effective Date. Post-Effective Date OPEB liabilities reflect the Debtors' obligations related to a) retiree medical accounts for certain U.S. hourly employees pursuant to U.S. labor agreements, and b) continuing obligations for certain U.S. salaried active and retired employees. These are projected based upon expected eligible employees and assumptions relating to future health care costs, mortality tables and discount rates.

Other Liabilities: Other liabilities are primarily comprised of long-term obligations or reserves related to restructuring initiatives, customer warranties, workers compensation and environmental matters. Minority interest in consolidated joint-ventures is also included.

Stockholders' Equity: For purposes only of preliminary fresh start accounting estimates in these Projections, stockholders' equity at the Effective Date is based on an assumed $13.5 billion enterprise value estimate along with pro forma emergence net debt, and includes the effect of $2.6 billion of new invested capital (including proceeds from the Rights Offerings and the sale of convertible preferred stock), as well as the issuance of i) common stock to pre-petition constituents and ii) $1.2 billion of preferred stock to GM as part of the total consideration in satisfaction of the GM Claim.

Cash Flow Assumptions

Cash flow from operating activities: Cash flow from operating activities is projected to increase from an outflow of $0.8 billion in 2007 to an inflow of $1.7 billion in 2011. Significant sources and uses of cash from operations include:

- EBITDARPO improves from $1.3 billion in 2007 to $2.9 billion in 2011;

Estimated Cash Sources and Uses at Emergence - 12/31/2007

($ in millions)		Adjustments
Cash Sources/(Uses):		
New Invested Capital	$	2,550
Exit Term Loan		3,700
Second Lien Note		750
Total Cash Sources	**$**	**7,000**
DIP Term B		(250)
DIP Term C		(2,495)
DIP Revolver		(682)
Refinanced Note to GM [(a)]		(1,500)
Payments to GM		(750)
Administrative & Priority Claims (including cure, transaction fees and other) [(b)]		(735)
Total Cash (Uses)	**$**	**(6,411)**
Cash Flow from Financing at Emergence	**$**	**589**

a) For purposes of the Projections, the payment of the $1.5 billion GM note is assumed to occur at the Effective Date.

b) Administrative and priority claims and transaction fees are estimated to be $0.7 billion and are projected to receive 100% of their total claim amount in cash. Transaction fees include payments to debt and equity capital providers for underwriting, as well as to legal and financial advisors involved in the Debtors' Chapter 11 case.